GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2693
ANSWERED ON:18.03.2008
INDUSTRIES IN BACKWARD RESERVED AREAS
Reddy Shri Karunakara G.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware that the backward reserved areas in the country are zero industry areas;

(b) If so, the extent to which this has increased the unemployment in the region;

(c) the schemes of the Government for such areas;

(d) whether the Government is likely to consider setting up industries at such places;

(e) if so, the details thereof alongwith the time by when these industries are likely to be set up; and

(f) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI ASHWANI KUMAR)

(a) & (b): Various studies in the past have sought to identify industrially backward regions in the country. More recently, with a view to focus on district specific cases of industrial backwardness, inter-departmental meetings have been held and the relevant data available is being analyzed to finalize and implement concrete policy decisions to address purposively the causes of industrial backwardness in various districts in a calibrated manner.

(c) to (f): After the announcement of New Industrial Policy in 1991, decisions of investment have been left to the commercial judgment of the entrepreneurs. The role played by the Government has changed from that of exercising control to providing help and guidance by making essential procedures fully transparent and by eliminating delays.The initiative for development of backward areas primarily rests with the State Governments. The Union Government supplements their effort through various Schemes. These Schemes play an important role in stimulating flow of capital to the backward areas. Currently, the following Schemes for the development of industries, with some of them focusing on specific areas, are under implementation by this Department:

(i) Industrial Infrastructure Upgradation Scheme.

(ii) Growth Centre Scheme.

(iii) Transport Subsidy Scheme.

(iv) North Eastern Industrial & Investment Promotion Policy, 2007 (NEIIPP); and

(v) New Industrial Policy and other concession for Special Category States.